

CITY OF COACHELLA

A Story Worth Telling

Road forward from a structural deficit — the Coachella comeback

Public Safety

Economic Dev

Financial Stability

Employee Dev

Quality of Life

From Struggle to Strength

15 years of deliberate, measurable progress

- Revenue: \$16.8M (2012) → \$46.8M (2027)
- Structural deficit closed — two budget cycles
- FY 2024-25: beat budget by \$3.1M (\$2M carryover assigned for Ave 52)
- STVR, cannabis, grants: diversified revenue
- A community that refused to quit

\$3.1M

FY 24-25 better
than budget

178%

Revenue growth
over 15 years

\$42.4M

Audited fund balance
June 30, 2025

Five Strategic Goals

Every dollar in this budget serves one of these



Public Safety

Safe residents. Every day.



Economic Development

Jobs, business, opportunity.



Financial Stabilization

Discipline + long-range vision.



Employee Development

Our team is our strategy.



Quality of Life

A city to be proud of. New Community Services Division + Manager.

How We Deliver Services

Types define what we provide. Levels define how well we provide it.

SERVICE TYPES

Mandated

Legally required.
Non-negotiable.

Core

Essential daily
city functions.

Discretionary

Reflects community
values + priorities.

SERVICE LEVELS

Basic

Meets minimum standard

Enhanced

Exceeds baseline expectations

Optimum

Best-in-class — where we're heading

FY 2026-27 moves key services from Basic toward Enhanced and Optimum.

General Fund: The Engine

Structurally balanced, strategically invested, outperforming projections

- FY 2026-27 revenues budgeted: \$46.8M
- FY 2024-25: beat budget by \$3.1M (\$2M carryover)
- Structural deficit: closed and confirmed
- Police Services: \$14.3M, 30% of GF — 2 new motorcycles + 1 new patrol officer
- Community Services Division created — Community Services Manager added
- Operating deficit \$453K — reserves absorb it
- Two new requests to incorporate:
 - Revision to Fire Department budget
 - Additional security camera server

\$42.4M

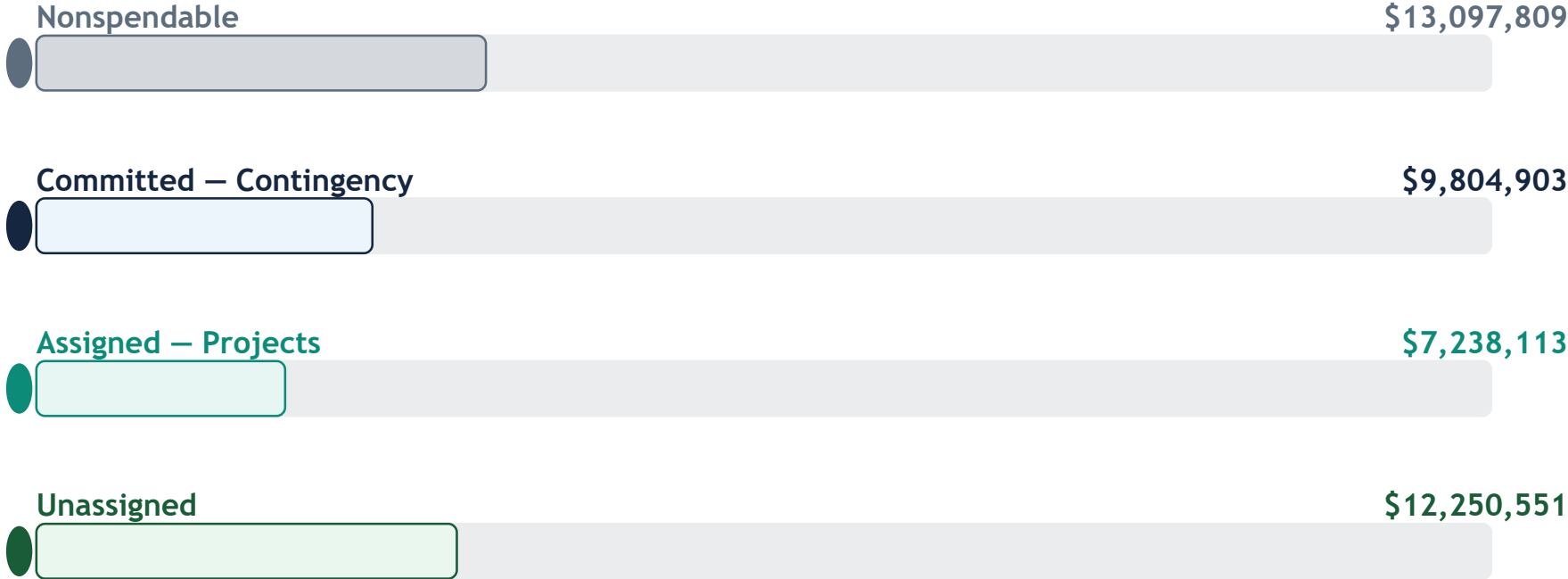
Total fund balance
June 30, 2025 (audited)

\$12.3M

Unassigned — true
liquid cushion

General Fund: Fund Balance

Audited. Composed. Purposeful. — June 30, 2025



Total Fund Balance

\$42,391,376

**Assigned ~\$2M capital carryforward from FY 2024-25 will reduce assigned balance in FY 2025-26 — non-operating, anticipated.*

Water Enterprise (Funds 177 + 178)

Steady rates. Record capital. Reclassified for compliance.

- Utility service revenue: \$7.5M, +4.5%
- FY 2026-27 capital investment: \$8.65M
- DWSRF grants fund W-32, W-35 projects
- CAP: admin staff reclassified to GF
- Reserve draw funds capital, not operations
- FY26-27 projected net loss: -\$1.68M

\$8.65M

FY 2026-27 capital
investment (record year)

-\$1.33M

Div 115 S&B reclassified
to GF under 2 CFR 200

Sanitary Sewer Enterprise (Funds 360 + 361)

Invisible infrastructure — visible commitment.

- Sewer charges: \$8.1M, steady annual growth
- FY 2026-27 capital investment: \$6.04M
- ARPA, Prop 84, CWSRF fund named projects
- CAP: admin staff reclassified to GF
- Built on years of operating surpluses
- FY26-27 projected net income: +\$1.36M

\$6.04M

FY 2026-27 capital
investment — 5x prior year

-\$1.37M

Div 115 S&B reclassified
to GF under 2 CFR 200

All Other Funds: Investing on Every Front

Transportation, fire protection, and a \$66M grant-funded capital program

- Grants Fund: \$66M — largest program ever
- CIP: \$63.6M, largely grant-funded delivery
- Transportation: \$6.9M deployed in FY 2026-27
- Fire District funded 60% by GF transfer
- \$4M+ deferred CFD: repaid with interest

\$66M

Grants Fund —
transformational year

\$3.88M

Annual GF transfer
covers Fire shortfall

Cost Allocation Plan (2 CFR 200)

Compliance that pays off — financially and for grant eligibility

- Federal law: allocate true cost of services
- \$2.09M properly reclassified, Water/Sanitary
- \$994K: genuine new staffing investment
- \$4.7M recovered via GF transfers annually
- CAP maximizes federal grant reimbursements

CAP SNAPSHOT

Water Div 115 reclassified

-\$1.33M

Sanitary Div 115 reclassified

-\$1.37M

Genuine new GF staffing

+\$994K

Net GF cost increase

+\$994K

Transfers In recovered

+\$4.7M

The Road Ahead

Strong today. Significantly stronger in 2034.

- 2034: RDA bonds retire, property tax freed
- \$3M+ annually returns to General Fund
- Structural balance today accelerates 2034 gains
- CFD deferrals: asset — verify liens, limit new
- **The best chapters still ahead** 🌟

2034

RDA bonds retire.
Property tax freed.
General Fund grows.

\$3M+ / year